



Government Should Fund Science? It Just Ain't So!

BY SHELDON RICHMAN

Thomas Friedman, the *New York Times* foreign-affairs columnist, is beside himself because the 2005 federal budget contains a 2 percent, or \$105 million, cut for the National Science Foundation (NSF). As W. S. Gilbert would say, “Oh, horror!” This, Friedman predicted in his December 5, 2004, column (“Fly Me to the Moon”), will condemn us Americans to a bleak future indeed. In support he enlists Shirley Ann Jackson, president of the American Association for the Advancement of Science. Not coincidentally, this organization is populated by the collectors of innumerable NSF grants. Not everything a scientist says is objective.

Would it be too much to expect one of the country’s most prominent journalists to do a little historical digging? Friedman might have discovered substantial scientific and medical projects undertaken and successfully completed by privately funded interests. As Aaron Steelman wrote in these pages over six years ago, “[T]he private sector has been responsible for some of mankind’s most important scientific breakthroughs” (“The Free Market and Scientific Research,” May 1998, www.fee.org/vnews.php?nid=4017). Steelman went on to document his assertion with cases such as the discovery of a smallpox vaccine, diphtheria antitoxin, DNA, the genetic structure of viruses, the practical application of penicillin, and more. Private money, such as that provided by the Rockefeller Foundation, made this heroic work possible.

If Friedman’s point is that *fewer* projects would be funded, how does he know that *too many* aren’t being funded now?

Folks like Friedman take it for granted that only the government will undertake large-scale scientific ven-

tures. But where does the government get the money? All government can do is take wealth from those who produced it and give it to those who didn’t. The stock answer is that private investors won’t finance “basic research” because it’s not profitable in the short run. What this really means is that politicians and bureaucrats can be counted on to see the benefits of basic research more objectively than entrepreneurs. I’d like to see Friedman say that with a straight face.

As Public Choice economics teaches, we are far safer in presuming that politicians and bureaucrats are motivated by re-election and career enhancement than by a desire to benefit people who must finance government activities whether they like them or not. Political officials are apt to look only at the immediate benefits to highly visible and well-organized constituencies, and not at the larger expense spread thinly over the rest of society.

Entrepreneurs, on the other hand, earn profits only by anticipating what people will find beneficial and be willing to pay for. They must take costs into account and have no taxpayers at their disposal. (A real free market has no corporate welfare.) Businessmen routinely project their plans years ahead, without the prospect of an immediate payoff, if an attractive return is anticipated later. Entrepreneurs are capable of grasping that basic research will yield valuable products. Could it be that Friedman fears that his favorite projects won’t be chosen?

Many people *believe* that the billions Congress has spent on the space program couldn’t possibly have been put to better use. But how do they *know* that?

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They have no idea what would have been discovered and produced had the money been left in the private sector, where consumer sovereignty, free exchange, and the price system create the indispensable feedback lacking in the political system.

Boards full of unaccountable political appointees spending other people's money do not inspire confidence. *Innovation* and *bureaucracy* are words rarely found together in affirmative sentences. Knowledge is discovered through competition, but government centralization of research stifles competition. The authorities are not interested in funding what they regard as outside the mainstream. Moreover, government financing reduces private financing and even influences its direction. Political Correctness aggravates the problem many times over. The last thing we should want is the corrupting hand of bureaucracy bending the scientific enterprise. (See Kent Jeffreys, "Super Boondoggle: Time to Pull the Plug on the Superconducting Super Collider," Cato Briefing Papers No. 16, May 26, 1992, www.cato.org/pub_display.php?pub_id=1457&print=Y&full=1.)

Pervasive Collectivism

What is most disturbing about Friedman's article is its pervasive collectivism. It is not enough for him to argue that if the government doesn't finance scientific research, it won't get done. No, he commends massive government spending on science as a way to enlist Americans in a common cause. He writes that "a national science project . . . would be our generation's moon shot: a crash science initiative for alternative energy and conservation to make America energy-independent in 10 years. Imagine if every American kid, in every school, were galvanized around such a vision."

I could point out that the free market, if allowed to work, has a built-in incentive to develop alternative energies and conservation when they are needed: the quest for profit. I could also ask what energy independence would mean in a globalized world, which Friedman favors. But what I really need to ask is this: why would we want to galvanize every American kid

around Friedman's vision? Do we want young people to look to a central authority for their mission in life?

He writes further that such a project "would also create a magnet to inspire young people to contribute to . . . America's future by becoming scientists, engineers and mathematicians."

Is Friedman not aware that when people pursue income and professional satisfaction they are led as if by an invisible hand to "contribute to America's future," if by that we mean the well-being of Americans (and others, of course)? Many of them will become scientists, engineers, and mathematicians not because the government has herded them in that direction, but rather because they love the work and like the compensation. If the problem is science and math education, then the solution has been available all along: separation of school and state.

Friedman calls on President Bush to "Summon . . . all our energies and skills to produce a 21st-century fuel." All our energies and skills? What does he have in mind for those who wish to work or invest in other areas of human need?

Of course, he has the obligatory quotation from President Kennedy, one of the great champions of national goal-setting: "We choose to go to the moon in this decade . . . because that goal will serve to organize and measure the best of our energies and skills." Friedman commends this attitude to President Bush, but after SpaceShipOne, the successfully launched, privately financed spacecraft, invoking the centralized and obscenely wasteful space program that Kennedy inspired sounds ignorant to say the least.

At any rate, why would we want *government* to organize our energies and skills? America is nothing if not a monument to the organizational prowess of the liberal market order. Look around and you'll see that there's no order like unplanned order. No government has ever achieved anything like what free people have achieved. And unlike government, which does its organizing by threatening violence against the innocent, the free market achieves its wonders through consent, contract, and incentive.

